



State of Utah

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CONSUMER ALERT

DO I REALLY NEED TO INSURE MY STUFF?

What College Students Should Know About Auto and Renters Insurance Coverage

Until now your parents have probably handled all of your insurance decisions. Even if they do, you should understand insurance in the event of an accident or loss. There are two main types of insurance appropriate for most college students to purchase: auto and renters. Here are the basics from the National Association of Insurance Commissioner (NAIC) that you should know about insuring your stuff.

Why Buy Renter's Insurance?

Make a mental list of the things you own. You may not think you have much to insure. Your computer? Maybe. Your gaming equipment? Possibly. Your hand-me-down couch? Maybe not. But you buy insurance because when you start adding up the value of all this stuff, the cost to replace it all generally outweighs the cost to insure it. Insurance is meant to help get you back to where you were before an accident or disaster.

Your Auto Insurance

The first thing you need to know about auto insurance is that most states require you carry at least a minimum amount of liability coverage. The liability coverage on your car pays damages and injuries to someone else if you are found responsible for an accident you did not intentionally cause. So, whether you drive a new car or an old car, you have to have continuous liability coverage. Some states also require you buy personal injury protection (PIP) coverage. If you live in a state that requires PIP coverage, work with your agent to get what you need.

If your name is on the title for the car, you will need to purchase your own auto policy. If your parents own it, you may be able to remain on their policy, which may be less expensive (but you may have to prove your parent's home remains your primary residence). Be sure to notify your insurance company about the address where the automobile will be stored, if it is different than what is on the policy. If you are going to school in another state, be sure to check the new state's coverage requirements.

If you want coverage for damages to your car, you will need comprehensive and collision coverage. Collision coverage fixes damage caused when you hit something like another car, or if somebody hits you. Comprehensive coverage is for just about everything else – like hail damage or hitting a deer. You will have to pay for part of the repairs – that is your deductible and the amount you are going to have to pay is listed on your insurance card. Speaking of an insurance card, the insurance follows the vehicle and not the driver. Always make sure that your insurance card is in the car and if you let a friend borrow the car, make sure they know

Please note: Agency hours are 8am-5pm, Monday-Friday.

where to find the card.

If an Accident Happens – What do I do?

If you are in an accident, it is important to get certain information from the other driver. It is also important not to give the other driver too much information about yourself or your parents. Do not admit fault for an accident. The NAIC has a free smartphone app that helps you know what information to get following an accident. Download it here for [Android](#) and here for [iPhone](#).

A word of caution about accidents: When your car is damaged in an accident, that information goes on a special insurance report called a C.L.U.E. report. Insurance companies can access that information for up to seven years, which could affect your premium in the future.

Your Home Away from Home

Renter's insurance covers the stuff in your apartment or dorm room (but just your possessions, not your roommate's stuff). Like your auto insurance, it also covers your liability if you negligently hurt someone or something. It also covers your personal property that may be stolen from your car or taken from your backpack while you study at the library. The policy will have a deductible you will be responsible to pay before payment on a valid claim would be made.

If you live in the dorm, it is likely your parent's homeowner's insurance will cover your stuff, but there may be a limit on what is covered. So if you buy a new computer or a gaming system, make sure your parents know so they can talk with their insurance agent about making sure there is adequate coverage.

If you live in an apartment or share a rental house, your name is probably on the lease, which means the insurance policy will need to be in your name as you are responsible for any losses. If you live in an apartment or share a rental house, your name is probably on the lease, which means the lease will be in your name and you will be responsible for any losses. In order to protect yourself, you will need to have your own insurance policy. The policy will cover a set amount of stuff that you own. It also covers your liability if somebody gets hurt at your place.

There are things that you may be considering purchasing that could be excluded from your liability coverage – such as certain breeds of dogs or a trampoline that sounded fun when you saw it on Craigslist. You should talk with your parents or insurance agent before adding major, potentially hazardous stuff to your collection. Also, if you are throwing a party, you need to know it is possible you could be held liable for accidents that happen after someone's been drinking at your house.

No matter where you live, it is a good idea to have a full list of your stuff that you have with you at school. A home inventory will help you and your parents know how much insurance you need and if something happens you can use it to file your claim. The NAIC has a free smartphone app that makes a home inventory easy. You will find the iPhone version [here](#) and the Android app [here](#).

Take Notes

Just like being a diligent note-taker can help you better understand Geometry or Western Civilization, so will taking notes on your insurance. The NAIC's [InsureU program](#) has great information to help you “get” insurance. If you think you are ready for the 300-level course on [auto](#) or [homeowner's](#) insurance, check out the NAIC Shoppers Guides. And if you need a glossary of insurance terms for quick reference or for a game of Scrabble, try [here](#).

Close to Home

Each state has an insurance department that can answer your questions about insurance. You can find phone numbers and a link to your state insurance department website on [this map](#). You will also find several of them on [Twitter](#) and [Facebook](#).

[The Utah Insurance Department](#) is a state agency. Its mandate is to regulate insurance marketed and sold in Utah. Currently over 100,000 agents, agencies and insurers are licensed; domestic insurers are audited to verify financial stability and compliance with insurance laws; administrative action is taken against licensees found to be in violation of insurance laws; calls from consumers with questions or complaints are taken; and licensees and consumers are educated regarding insurance. For more information visit <http://www.insurance.utah.gov/> or call toll **free in-state @ 1-800-439-3805 or locally @ 801-538-3077**.

[The National Association of Insurance Commissioners](#) (NAIC) is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review, and coordinate their regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. NAIC members, together with the central resources of the NAIC, form the national system of state-based insurance regulation in the U.S. For consumer information, visit insureUonline.org.